(b) whether it is a fact that the trade suffered losses during last year due to disturbances in Darjeeling area;

(c) if so, the extent of loss suffered and

(d) what steps are being taken to increase the tea trade?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) The volume of tea available for trade during 1986 was estimated at 616.75 M. Kgs. as against 657 M. Kgs. in 1985.

(b) and (c) Despite occasional disturbances in the district of Darjeeling tea trade has been functioning more or less normally.

(d) To increase production of tea Government have taken a number of measures which include short term measures like optimization of inputs, medium term measures like irrigation and drainage, infilling and rejuvenation of tea bushes and long term measures like extension planting and replanting. Measures taken to increase exports include assistance for brand promotion and warehousing abroad as well as cash compensatory support on value added teas. Tea Board undertakes promotional campaign through its offices abroad.

Chinese Spokesman's Statement on Military threat from China

1630. SHRIMATI VEENA VERMA: Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether Government are aware of the Chinese foreign ministry spokesman's statement describing Indian Defence Ministry report about military threat from China as "nothing but sheer nonsense"; if so, what is Government's reaction thereto; and

(b) what is Government's reaction to the Chinese spokesman's statement that large tracts of Chinese territory have been occupied by India?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALEIRO): (a) Yes, Sir. Government holds a different view.

(b) Government is of the view that India does not occupy Chinese territory. It is our policy to strive for a peaceful settlement of the boundary question with China and to preserve to resolve disputes through peaceful negotiations.

Development of powerlooms

1631. SHRI YALLA SESI BHUSHANA RAO: Will the Minister of TEXTILES be pleased to state:

(a) whether any task force has been set up by Government to assess the existing development of credit to powerlooms in the decentralised sectors and to augment its availability for their modernisation and working capital; and

(b) if so, what are the details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR): (a) and (b) Yes, Sir. The Task Force has been set up under the Chairmanship of the Textile Commissioner to study and assess the existing flow of credit and to suggest measures to augment availability of credit to powerlooms in the decentralised sector. The Task Force has been asked to submit its report in four months' time.